

BUSINESS REPLY MAIL COST MODEL USPS-FY19-21

I. PREFACE

A. Purpose and Content

USPS-FY19-21 documents the worksharing-related savings estimate for QBRM letters and cards and the Business Reply Mail fee cost estimates.

B. Predecessor Document

Docket No. ACR2018, PRC-LR-ACR2018-3 FY 2018 - First-Class Mail, file PRC-FY18-BRM.xlsx.

C. Corresponding Non-Public or Public Document

There is no non-public document that corresponds to USPS-FY19-21.

D. Methodology

The Business Reply Mail cost model relies on the same cost methodology that was presented by the Postal Service in Docket No. ACR2018, USPS-FY18-21.

Similar to BRM cost model in Docket No. ACR2018, manual letter productivities from USPS-FY15-23, (Docket No. ACR2015) had to be used for preparation of USPS-FY19-21 models. See preface to USPS-FY19-23 for details.

E. Inputs / Outputs

Input Source

Input Description

USPS-FY19-7

Volume variability factors
Premium pay factors
Wage rates
Overhead factors

USPS-FY19-10

CRA adjustment factor, DIOSS Accept Rate

USPS-FY19-23

MODS productivity data

USPS-FY19-24

City carrier piggyback factor

USPS-FY19-25	Operations-specific piggyback factors RCR cost data
2019 RBCS data	RCR images processed ISS / RCR finalization rate
2019 WebEOR data	Outgoing primary acceptance rate
2019 RPW data	Non-letter size BRM shape percentage
USPS-FY15-23	Manual Operations MODS productivity data
2011 PostalOne!	Pieces per account data
2011 Field Study	Productivity data
Docket No. RM2011-5, Order No. 741	RBCS leakage rate
Docket No. ACR2008, USPS-FY08-10	OSS Reject Rates
Docket No. RM2006-1, USPS-LR-34	BRM Practices Study
Docket No. RM2000-1, USPS-T-29	Productivity Data

The Business Reply Mail cost estimate outputs are relied upon to develop the discounts and passthroughs values contained in USPS-FY19-3.